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CONFIDENTIAL NASSAU 000405

SIPDIS

WHA/CCA FOR DAVID MCFARLAND

E.O. 12958: DECL: 05/19/2018 TAGS: <u>ETRD</u> <u>ETTC</u> <u>PREL</u> <u>CU</u> <u>BF</u>

SUBJECT: BAHAMAS REVIEW FOR SUSPENSION OF LIBERTAD ACT

TITLE III

REF: STATE 52541

Classified By: Charge Elmo for reasons 1.4 (b) and (d).

11. (C) SUMMARY: Post recommends waiver of the provisions of Title III of the Libertad Act for The Bahamas. The Bahamas has had a cordial relationship with Cuba, has supported Cuba in international fora, and has engaged in both cultural and economic exchanges with Cuba, including promotion of Cuban trade. The Bahamian government under Prime Minister Hubert Ingraham has a more skeptical approach, but has not downgraded relations with Cuba from a full Embassy to a Consulate, as intimated before May 2, 2007 elections. There were no notable developments in the relationship with Cuba in the last six months. The extremely close bilateral cooperation between The Bahamas and the U.S. in drug interdiction, alien interdiction, anti-terrorism and border security merits a waiver of the provisions of the Libertad Act. END SUMMARY.

Bahamas-Cuba Diplomatic Relations

- 12. (C) The Governments of The Bahamas and Cuba have maintained cordial relations. There have been no known high-level diplomatic visits between Cuba and The Bahamas in the past six months. The Bahamas justifies the need for its relations by citing the need to provide consular services, to address bilateral migration issues, and to promote trade and travel. The Bahamian government has also noted the need for close relations to avoid repetition of incidents such as the 1980 sinking by Cuban forces of a Bahamian Defense Force vessel resulting in the deaths of several Bahamian sailors. Like the U.S., the Bahamian government works with Cuba to combat drug and migrant trafficking. The Government of Cuba maintains an embassy in Nassau, and a new Ambassador was accredited in late August 12007.
- 13. (C) Illegal migration to The Bahamas from Haiti and Cuba is one of the country's biggest political issues. Illegal Cuban migrants interdicted in Bahamian waters are detained in Nassau, and the repatriation process is lengthy and expensive. Controversies surrounding the presence of Cuban migrants in The Bahamas occasionally arise, and the GCOB sees a pragmatic need to maintain a relationship with Cuba to manage repatriation and any concomitant international complications.

Business and Cultural Exchanges

14. (C) Direct Bahamian investment in Cuba is minimal given The Bahamas' exchange controls, limited scope for international investment among Bahamian businesses, and the country's economic dependence on the United States. Third country investment in Cuba via Bahamian financial

institutions is likely, but unknown. According to the GCOB, The Bahamas imported \$1.6 million in Cuban goods in 2005, with few to no exports. There are currently no bilateral trade agreements in force.

15. (C) There is a Havantur office in Nassau and Cuban de Aviacion offers direct flights to Havana from Nassau. According to the GCOB, approximately 20,000 Bahamians visit Cuba each year. Approximately 150 Bahamian students study in Cuba on scholarship, and 26 Cuban teachers were reportedly contracted to teach math and science in the Bahamian school system in the 2007-08 school year as part of an educational exchange. Other Cuban teachers also work closely with the GCOB, particularly in the area of special education. Approximately 600 Bahamians received Cuban-paid health care in Cuba last year. An unknown number of Cuban doctors work in The Bahamas to provide thousands of Bahamians with health care. Last year Cuban doctors provided approximately 1,750 eye exams to Bahamians in The Bahamas.

Bahamian Support for Human Rights

16. (C) The Bahamas has worked to promote the advancement of democracy and human rights in Cuba, though more could be done. The Bahamian Government which took office following May 2, 2007 elections did not downgrade Bahamian relations with Cuba but has supported human rights in international fora. The Bahamas supported all U.S.-sponsored country-specific resolutions in the UNGA Third Committee in late 2007, in a departure from previous practice, and has not made any other overtures to the Cuban government. The Bahamas has in the past typically voted as a block with

Recommendation for Waiver

17. (C) In light of the extremely close on-going bilateral cooperation between the U.S. and The Bahamas in drug interdiction, alien interdiction, anti-terrorism, and border security matters, and in light of the new government's more skeptical approach to relations with Cuba, Post believes The Bahamas should continue to be granted a waiver from implementation of Title III of the Libertad Act.